To Do-Overall Picture of the

For Society (Environmental Strategy)

The story of our initiatives

♦ Basic approach

Tackle the environmental impact caused by our global corporate activities as corporate responsibility

House Foods Group Long-term Environmental Strategy 2050

- Enhanced capacity to implement carbon neutrality in 2050
- Recycle resources in order to reduce waste, plastic and water use
- Contributed to a sustainable future

♦ Important issues for realizing House Foods Group Long-term Environmental Strategy 2050

Action on climate change

Aiming to become carbon neutral by 2050, we will make efforts to reduce CO₂ emissions

Creation of a resource recycling-oriented society

Make effective use of limited resources from the three perspectives of reduce, utilize and return

♦ Medium-term Business Plan KPIs and priority themes

ltems	FY2024 Results	Eighth Medium-term Business Plan (FY2026) targets	Ninth Medium-term Business Plan (FY2029) targets
Scopes 1 and 2 (total volume, compared to FY2013)	-19.5%	-27%	-38%
Scope 3 (compared to prior to initiatives)	-1,775 tons	-5,000 tons	_
Waste (net sales per unit of materials, compared to FY2021)	-21.5%	-25%	_
By-product (recycling rate)	99.3%	99.5%	100%
Plastics (container packaging for Japanese products, derived from fossil-fuel resources, compared to FY2018)	-8.2%	-8.5%	_
Water (affected sites: "Areas at risk of water depletion" at production sites)	Interviews with local government agencies showed that no bases had urgent issues	Implement water conservation measures	_

Q. Please tell us why the House Foods Group is tackling environmental issues and what it aims to achieve by doing so.

Our Group has three responsibilities that form the basis of all of our activities. One of these is Our Responsibility For Society, and we see environmental initiatives as a responsibility that we must naturally fulfill as members of society.

The Eighth Medium-term Business Plan, which began in FY2024, aims to build a recycling-oriented model under the slogan "healthy people and a healthy planet." Based on this, we have formulated the "House Foods Group Long-term Environmental Strategy 2050," focusing on two key issues: "action on climate change" and "realization of a recycling-oriented society."

The basis of this is the idea of "internalizing external diseconomies," which means that companies are responsible for resolving the environmental burden caused by their business activities. In order to continue fulfilling "For Society," we will continue to work to build a recycling-oriented model based on the "House Foods Group Long-term Environmental Strategy 2050."

Q. Please tell us about the progress and future developments toward realizing the Long-term Environmental Strategy 2050.

In FY2024, we made steady progress, including the launch of Total Energy Services for Multiple Sites (in collaboration with JFE Engineering), further introduction of renewable energy, the achievement of net-zero CO₂ emissions from energy at House Foods' Fukuoka Factory through the use of J-Credit, and the opening of the eco-friendly Kanazawa Kosaka Store at Ichibanya.

FY2025 marks the midpoint of our medium-term plan, and we need to further accelerate our environmental efforts in order to achieve our KPIs.

Being environmentally friendly requires resources, but as it is a natural mission for us as a corporate citizen working to build a sustainable future, we will strive to balance this with our business.

Our business is also supported by "natural capital." We source all ingredients, including the spices essential to curry, from nature. To fulfill our responsibility to pass on this rich natural environment to future generations, we will now fully commit to preserving and restoring biodiversity (nature positive), in addition to the climate change response (carbon neutral) and circular economy that we have been promoting up until now. In order to remain a company that future generations can be proud of, we will faithfully fulfill our responsibility for the global environment.

Atsushi Sakuma



House Foods Group Environmental Initiatives Map

The House Foods Group has set out its Long-term Environmental Strategy 2050 and is promoting various environmental initiatives at each stage of its business activities, with the aims of taking "action on climate change" and "creating a resource recycling-oriented society."

By promoting environmental initiatives across the entire Group, we are helping create healthy people and a healthy planet.





Recycling (feed, compost)

 Participate in the R Plus Japan Consortium

Biomass plastics



- Factories with zero CO₂ emissions from energy sources Eco-friendly stores Utilization of renewable energy
- Total Energy Services for Multiple Sites Network





Gas co-generation system

For specific initiative cases, see P.41

- Modal shift
- Joint transportation

For details on sustainable logistics, see P.48



- · Energy saving through time-saving cooking From cooking in a pot to cooking in a frying pan: Making retort pouches microwave-safe
- · Smaller, thinner retort pouches

For specific initiative cases, see P.42







Click here for information on environmentally friendly products

https://housefoods-group.com/sustainability/ ecology/consideration/index.html (Only in Japanese)

Key issue 1

Action on climate change

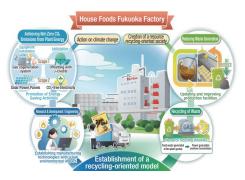
We aim to be carbon neutral by 2050 in response to climate change, which threatens the supply of sustainable foods, and will protect the foundation of our business and society.

House Foods Corporation Fukuoka Factory Environmental Initiatives



The House Foods Corporation Fukuoka Factory achieved net-zero energy-related

CO₂ emissions* in December 2024 by introducing a gas co-generation system and solar panels, procuring CO₂-free electricity, and offsetting through J-Credit. Furthermore, with "building a recyclingoriented model" as the Group's goal, we are promoting resource recycling by reducing



Yuta Nishi

Fukuoka Factory

Equipment Section

House Foods Corporation

waste generation through updating and improving production equipment, and by fermenting some of the food waste generated into methane and using it as renewable energy.

*We have received a third-party assurance report from Socotec Certification Japan Co., Ltd. to improve reliability.

Realize zero CO₂ emissions stemming from energy at the Fukuoka Factory

As a company that delivers delicious and healthy food, we aim to establish a recycling-oriented model that will preserve the bounty of nature and continue to generate value.

Since municipal electricity and gas supplies are always used in production activities, CO₂ emissions are unavoidable. However, the Fukuoka Factory has been implementing various initiatives to reduce CO₂ emissions, including energy conservation, the use of renewable energy, and environmental investments.

As a further initiative, we switched to free electricity, which has zero CO₂ emissions, and have offset all CO₂ emissions by utilizing a national system called J-Credit, which have been recognized externally as having achieved virtually zero CO₂ emissions (third-party certification has been obtained).

In addition, we advertised the fact that *Umakacchan* is manufactured at our Fukuoka Factory, which has achieved virtually zero CO₂ emissions stemming from energy, and increased customer awareness, which has enhanced brand value.

Going forward, we will continue to engage in environmental improvement activities at the Fukuoka Factory with the aim of creating healthy people and a healthy planet.

Ichibanya opens its first eco-friendly restaurant



In October 2024, Ichibanya opened its first eco-friendly restaurant, the Kanazawa Kosaka Store, in Kanazawa City, Ishikawa Prefecture.

The store is built of wood, which has a significant effect on reducing CO₂ emissions during construction, and has a natural feel, with an interior that prominently features the wooden construction material and trees planted within the grounds. We are also reducing CO₂ emissions by generating renewable energy using solar power generation and by reducing air conditioning usage with heat-shielding sheets and air conditioning circulation systems.



Kanazawa Kosaka Store

Initiative (1) Install solar panels and heat shielding sheets, etc. → Reduced store CO₂ emissions

Initiative (2) Use of wood construction

→ Reduced CO₂ emissions when building new stores by approximately 29 tons*1

Initiative (3) Introduce water-saving **equipment** → Reduced water usage

Initiative (4) Introduce food waste processors → Zero food waste*2

*1 Comparison with a new steel-framed building *2 Comparison with the Kanazawa Kosaka Store prior to transition

IN FOCUS

Expand the circle of eco-friendly friends beginning with Ichibanya

Ichibanya is working to develop stores with low environmental impact. The Kanazawa Kosaka Store is a model store that incorporates as many ecofriendly features as possible, such as building materials with high insulation performance and heat-shielding sheets. After verifying the effectiveness of the implementation, we are rolling the concept out to other stores as well, tailored to their respective circumstances.

Working within this system, our awareness also began to change, and we found ourselves starting to use reusable water bottles in our personal lives, or being drawn to stories about environmentally friendly products like polo shirts and sneakers made from plastic bottles, and otherwise learning to make our actions kinder to the Earth in general. Our franchisees have also begun expressing their desires to implement more eco-friendly initiatives



Tadashi Kamei General Affairs Dept. Ichibanya Co., Ltd.

at their own stores and it feels like the number of "environmentally conscious friends" is gradually increasing.

Delicious curry with a touch of consideration for the future. Ichibanya will continue to work together with local communities to create stores that are friendly to both the environment and people.

For details, see the & House special edition

https://housefoods-group.com/tsunagu/andhouse/magazine/13/index.html (Only in Japanese)

Key issue 2

Creation of a resource recycling-oriented society

We will work with stakeholders to build a system that circulates the Earth's limited resources by "reducing," "utilizing," and "returning" waste, by-products, plastics, and water, thereby making the value chain sustainable.

Reduce waste and by-products



First, we strive to prevent waste from being generated, then we promote efforts to turn waste that is generated into something valuable (recycling it into valuable materials) and return it to society (internalizing external diseconomies).

Reduce and eliminate

The animal and plant residues discharged from the process are decomposed using the power of microorganisms.



Decomposition processors

Recycling into valuable material

Food waste generated during production is donated to nearby feed manufacturers at a valuable price for use.



Turning food waste into animal feed

In-house resource recycling

We are promoting resource recycling by making compost from residues from our own farms and reusing it on our own farms.



Generated okra and other residue

Water

Water shortage at Group operating company factory locations



Water Stress is an evaluation index of the Aqueduct Country Ranking developed by the World Resources Institute, which is used to check the water stress status in different regions. For areas with high water risk, we conduct additional surveys, including on-site interviews, to confirm that this is not an urgent issue.

Status of initiatives related to water

Our Group purifies wastewater in wastewater treatment facilities before discharging it into rivers or sewers. In addition, at some locations where wastewater treatment facilities are not installed, we discharge wastewater in accordance with local sewerage rules.

Country/region	
California, USA, and Dalian, China	
New Jersey, USA; Shanghai and Zhejiang, China; Bangkok, Thailand; and Semarang, Indonesia	
Japan; Pennsylvania, USA; and Dong Nai, Vietnam	
Penang, Malaysia	

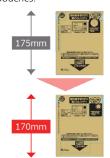
Plastics



We recycle resources in every process, from the design of plastic products to their manufacture and post-use. In addition, by designing to reduce the generation of plastic waste, we aim to solve issues in terms of both resources and the environment.

Use less plastic

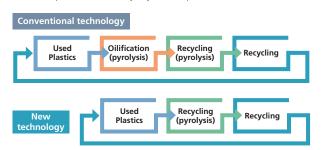
We are working to reduce the amount of fossil-based plastic we use in our products by thinning and reducing the size of our retort microwave pouches.



Participate in the R Plus Japan Consortium

By investing in R Plus Japan*1, we are participating in the consortium and working to collect plastic containers from the market*2 and realize chemical recycling.

- *1 A joint venture company established by 12 companies, including Suntory, to develop and manufacture chemically recycled materials (operations began on
- *2 It is also possible to chemically recycle waste plastic from our own facilities.



IN FOCUS

Reduce, utilize, and return to create containers that will lead to a cleaner environment in the future

Plastic is widely used for food containers and packaging because it is lightweight, can be molded into various shapes, and can be sealed and packaged for efficient product delivery. Meanwhile, there are problems such as marine plastic waste, global warming, and dwindling oil resources, so in addition to using the 3Rs (reduce, reuse, recycle) for plastic containers and packaging, we need to work on utilizing environmentally friendly materials such as plant-derived materials and move towards a sustainable society. Of the three responsibilities, the Group has set "plastic usage" as a KPI to fulfill "For Society," and is working to reduce the amount of plastic containers and packaging we use, and to use biomass materials for "Vermont Curry" trays and "Seasoned Salt and Pepper" bottles, with the aim of reducing plastic usage by 8.5% compared to FY2018 in our Eighth Medium-term



Kimihiro Ono Packaging Development House Foods Group Inc.

Business Plan. Going forward, we will continue to make effective use of containers and packaging by reducing, utilizing, and returning, and work to realize a sustainable society.

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For Society (Environmental Strategy)

Biodiversity



All business activities of the Group are supported by the bounty of the natural environment. At the same time, we must be aware that our activities have an impact on the natural environment, and it is important that we work in cooperation with local communities to pass on the abundant blessings of nature to future generations. To that

end, we are actively working to conserve biodiversity in order to realize a sustainable society.

Procure certified raw materials

Our Group uses certified raw materials in some of our products in order to protect forests, which are rapidly disappearing and at risk of continuing to decline. We primarily promote the use of RSPO*1 certified palm oil and FSC®*2 certified paper (in product packaging).



4-0994-18-100-00

*1 RSPO (Roundtable on Sustainable Palm Oil): A non-profit organization that promotes the production and use of "sustainable palm oil"



*2 FSC (Forest Stewardship Council®): An international non-profit organization that works to promote the appropriate use and conservation of forests

"GLOBAL G.A.P. certification" acquisition

PT. Java Agritech is working to make wasabi farms sustainable for the future. As part of this, we have obtained international certification (GLOBAL G.A.P. certification) for "sustainable production activities" that take into consideration food safety, working conditions, and environmental conservation.





Global



At the APEC (Asia-Pacific Economic Cooperation) held in Incheon, South Korea from July 26 to August 15, 2025, we participated in a presentation and workshop

on best practices regarding decarbonization policies and supply chain resilience in the food sector.

Focusing on Scope 3, we introduced examples of sustainable food supply chains and innovation through customer collaboration, and engaged in dialogue with representatives and government officials from other countries toward policy formation.



The House Foods Group presentation at the APEC workshop

Coexistence with local communities

The Group conducts cleanup activities in areas surrounding our business locations nationwide with the aim of preserving surrounding environments.

The House Foods Group Tokyo Head Office participates in Chiyoda Ward Cleanups, and Malony participates in Kanzaki Riverside Cleanup Operations. We also value communication with local communities and participate in cleaning activities together with local residents.



Cleanup activities around the House Foods Group Tokyo



Malony employees engage in cleanup activities along the

IN FOCUS

Cleanups build a circle of trust with local communities

The Kanzaki Riverside Business Association, of which the Malony Head Office and Osaka Factory are members, was established in 2002 with the aim of helping local communities and businesses coexist. From the time of its inception to the present, Malony has acted as a company that is representative of the association.

We believe that protecting local natural environments, and in particular caring for the Kanzaki River that flows nearby, is part of our corporate responsibility for society and future generations.

Malony's clean-up activities are not only a way to beautify the local area, but also a great opportunity to deepen cooperation with the local community. We believe that, through these activities, Malony will demonstrate its commitment to contribute to and build a relationship of trust with the local community.



Toshio Inoue
Representative Director
& President
Malony Co., Ltd.

Clean-up activities themselves are simple, but they are an important step toward increasing love-of-community and environmental awareness.

Malony will continue these activities in the future, to promote an awareness of coexistence with the local community in order to build a sustainable society.

We will continue to work hard to ensure our activities have a positive impact on local communities and that we can grow together in the future.

Disclosures in accordance with the Task Force on Climate-related Financial Disclosures (TCFD)

The Group has considered responding to climate change in line with the TCFD recommendations and has disclosed the following four items.

Governance

Reducing the environmental burden throughout value chains is a priority challenge that the Group is taking on and reducing CO_2 is included in our medium-term business plan. Following discussions by the House Foods Group Management Committee, the initiatives and targets of each medium-term business plan are subject to approval and a final decision by the House Foods Group Board of Directors.

The Group CSR Committee, which is comprised primarily of Directors, confirms the progress of initiatives and targets, supervises and advises management and works to strengthen collaboration within the Group.

Risk management

The Sustainability Management Division, which is the main department in charge of climate change response, carries out evaluations of risks and opportunities. We are considering countermeasures to address the high-priority items among those identified. Countermeasures are incorporated into the Long-term Environmental Strategy 2050 and Group-wide strategy and reported to the House Foods Group Management Committee, after which a final decision is made by the House Foods Group Board of Directors. The Group Environmental Management Committee, in which the environment managers of each company and site participate, reports to the Group CSR Committee on the progress and management of these countermeasures.

Strategy

In FY2022, we conducted a scenario analysis for House Foods, which is responsible for the spice value chain, our core business, to identify climate-related risks and opportunities and consider countermeasures. In FY2023, in order to clarify the vision we want to achieve over the long term through 2050, we identified the key issues that the Group must resolve and formulated the Long-term Environmental Strategy 2050, along with the Eighth Medium-term Business Plan that was based on it. FY2024 marks the first year of the implementation phase of the Eighth Medium-term Business Plan based on the Long-term Environmental Strategy 2050. We also considered conducting a scenario analysis for Ichibanya, a Group company that handles our restaurant business.

→ Click here for details on disclosure content

House Foods Group Inc. https://housefoods-group.com/sustainability/globalheating/imgs/TCFD_2408.pdf (Only in Japanese) lchibanya https://ssl4.eir-parts.net/doc/7630/yuho_pdf/S100VUL9/00.pdf (Only in Japanese)

Indicators and targets

With the aim of becoming carbon neutral in 2050, we have set new indicators and targets in the Eighth Medium-term Business Plan.

■ Scope 1 and 2

With regard to our own CO_2 emissions, based on the aim of achieving carbon neutrality by 2050, we have replaced carbon intensity with gross emissions volume as our metric, and have set a target of reducing CO_2 emissions by 27% in FY2026 (Eighth Medium-term Business Plan) and 38% in FY2030 (both compared to FY2013).

■ Scope 3

In order to reduce not just our own CO_2 emissions, but also the CO_2 emissions from across our entire supply chain, we have set a target of -5,000 tons (compared to prior to initiatives) in our Eighth Mediumterm Business Plan and we are working together with all of our stakeholders to strive for reductions.

IN FOCUS

Turning the ability to prepare for climate change into a new strength for Ichibanya

Ichibanya Co., Ltd., which handles the Group's restaurant business, conducted a scenario analysis based on the TCFD recommendations in FY2024 as part of its efforts to realize the "Ichibanya Long-term Vision 2030," and disclosed information on this in its securities report. We have comprehensively identified over 100 risks and opportunities related to climate change, and will consider and implement specific countermeasures for those deemed to have a particularly large impact on our business. As we worked on themes in our Environmental Measures Committee, there were times when discussions became difficult. However, through repeated discussions from various perspectives, we were able to gain a new understanding of the connection between environmental issues and business operations, which provided a valuable opportunity to foster



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awareness and consciousness throughout the company. Going forward, we will strengthen our Group-wide response to climate change by examining our own emissions reduction measures, including those at our franchise stores.